

House Amendment 1410

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1 1 Amend House File 848 as follows:
1 2 #1. By striking page 2, line 5, through page 5,
1 3 line 10, and inserting the following:
1 4 <Sec. _____. Section 260C.17, Code 2005, is amended
1 5 by striking the section and inserting in lieu thereof
1 6 the following:
1 7 260C.17 PREPARATION AND APPROVAL OF BUDGET ==
1 8 OPERATIONS LEVY.
1 9 1. BUDGET APPROVAL. The board of directors of
1 10 each merged area shall prepare an annual budget
1 11 designating the proposed expenditures for operation of
1 12 the community college. The board shall further
1 13 designate the amounts which are to be raised by local
1 14 taxation and the amounts which are to be raised by
1 15 other sources of revenue for the operation. The
1 16 budget of each merged area shall be submitted to the
1 17 state board no later than May 1 preceding the next
1 18 fiscal year for approval. The state board shall
1 19 review the proposed budget and shall, prior to June 1,
1 20 either grant its approval or return the budget without
1 21 approval with the comments of the state board attached
1 22 to it. Any unapproved budget shall be resubmitted to
1 23 the state board for final approval.
1 24 2. BASE LEVEL. Upon approval of the budget by the
1 25 state board, the board of directors shall certify the
1 26 amount to the respective county auditors and the
1 27 boards of supervisors annually shall levy a tax of
1 28 twenty and one-fourth cents per thousand dollars of
1 29 assessed value on taxable property in a merged area
1 30 for the operation of a community college.
1 31 3. OPTIONAL SUPPLEMENTAL AMOUNT. In addition to
1 32 the amount of the operations levy under subsection 2,
1 33 the board of directors of each community college may
1 34 certify an additional amount for levy by March 15 to
1 35 the respective county auditors for collection in the
1 36 subsequent fiscal year, and the boards of supervisors
1 37 shall levy a tax on all taxable property in the merged
1 38 area for deposit in the local workforce and economic
1 39 development fund created in section 260C.18C. The sum
1 40 of the moneys collected by a community college under
1 41 this subsection shall not exceed the sum of sixteen
1 42 percent of the following for the fiscal year beginning
1 43 July 1, 2006, thirty-two percent of the following for
1 44 the fiscal year beginning July 1, 2007, forty-eight
1 45 percent of the following for the fiscal year beginning
1 46 July 1, 2008, sixty-four percent of the following for
1 47 the fiscal year beginning July 1, 2009, and eighty
1 48 percent of the following for fiscal years beginning on
1 49 or after July 1, 2010:
1 50 a. The community college's budgeted employer
2 1 contributions under the Federal Insurance
2 2 Contributions Act, as defined in section 97C.2, for
2 3 the fiscal year of collection.
2 4 b. The community college's budgeted employer
2 5 contributions to the community college's employees'
2 6 retirement systems for the fiscal year of collection.
2 7 c. The community college's budgeted utility costs
2 8 for the fiscal year of collection. As used in this
2 9 paragraph, "utility costs" includes the cost of
2 10 electricity, water, waste collection, fuel oil and gas
2 11 for heating, heat, and air conditioning expenditures.
2 12 "Utility costs" does not include telephone service, or
2 13 gas used in laboratories and shops for community
2 14 college purposes.
2 15 d. The moneys the community college would receive
2 16 from the collection of a property tax of ten cents per
2 17 thousand dollars of assessed valuation for the fiscal
2 18 year of collection.
2 19 For fiscal years beginning on or after July 1,
2 20 2011, the rate of the levy certified under this
2 21 subsection shall not exceed the community college's
2 22 supplemental operations levy cap. For purposes of
2 23 this paragraph, "community college's supplemental
2 24 operations levy cap" means the maximum levy expressed

2 25 in cents per thousand dollars of assessed valuation
2 26 which could have been collected by the community
2 27 college under this subsection for the fiscal year
2 28 beginning July 1, 2010.

2 29 Moneys collected under this subsection shall be
2 30 deposited in the community college's local workforce
2 31 and economic development fund.

2 32 4. TAXES COLLECTED. Taxes collected pursuant to
2 33 the levy shall be paid by the respective county
2 34 treasurers to the treasurer of the merged area as
2 35 provided in section 331.552, subsection 29.

2 36 Sec. ____ NEW SECTION. 260C.18C LOCAL WORKFORCE
2 37 AND ECONOMIC DEVELOPMENT FUND.

2 38 1. LOCAL WORKFORCE AND ECONOMIC DEVELOPMENT FUND.

2 39 A local workforce and economic development fund is
2 40 created at each community college. Moneys shall be
2 41 deposited and expended from the fund as provided in
2 42 this section.

2 43 2. ALLOWABLE USE. Moneys deposited in the fund
2 44 are at the disposal of the community college to be
2 45 spent only on the following, provided that no more
2 46 than fifteen percent of the moneys deposited may be
2 47 used as provided under paragraph "f" and provided that
2 48 seventy percent of the moneys used as provided in
2 49 paragraphs "a" through "e" shall be used on projects
2 50 in the areas of advanced manufacturing, information
3 1 technology and insurance, and life sciences which
3 2 include the areas of biotechnology, health care
3 3 technology, and nursing care technology:

3 4 a. Projects for which an agreement with the
3 5 community college and an employer within the community
3 6 college's merged area meet all of the requirements of
3 7 the accelerated career education program under chapter
3 8 260G.

3 9 b. Projects for which an agreement with the
3 10 community college and a business meet all the
3 11 requirements of the Iowa jobs training Act under
3 12 chapter 260F. However, such projects are not subject
3 13 to the maximum advance or award limitations contained
3 14 in section 260F.6, subsection 2, or the allocation
3 15 limitations contained in section 260F.8, subsection 1.

3 16 c. For the development and implementation of
3 17 career academies that are designed to provide new
3 18 career preparation opportunities for high school
3 19 students and that are formally linked with
3 20 postsecondary career and technical education programs.
3 21 For purposes of this section, "career academy" means a
3 22 program of study that combines a minimum of two years
3 23 of secondary education with an associate degree, or
3 24 the equivalent, career preparatory program in a
3 25 nonduplicative, sequential course of study that is
3 26 standards-based, integrates academic and technical
3 27 instruction, utilizes work-based and worksite learning
3 28 where appropriate and available, utilizes an
3 29 individual career planning process with parent
3 30 involvement, and leads to an associate degree or
3 31 postsecondary diploma or certificate in a career field
3 32 that prepares an individual for entry and advancement
3 33 in a high-skill and rewarding career field and further
3 34 education. The department of economic development, in
3 35 conjunction with the state board of education and the
3 36 division of community colleges and workforce
3 37 preparation of the department of education, shall
3 38 adopt administrative rules for the development and
3 39 implementation of such career academies pursuant to
3 40 section 256.11, subsection 5, paragraph "h", section
3 41 260C.1, and Title II of Pub. L. No. 105=332, the Carl
3 42 D. Perkins Vocational and Technical Education Act of
3 43 1998.

3 44 d. Programs and courses that provide vocational
3 45 and technical training and programs for in-service
3 46 training and retraining of workers under section
3 47 260C.1, subsections 2 and 3.

3 48 e. Job retention projects under section 260F.9.

3 49 f. Student support services, including but not
3 50 limited to:

- 4 1 (1) Student counseling, including personal
4 2 counseling, academic counseling, behavioral
4 3 counseling, and career counseling.
- 4 4 (2) Support groups for high-need students.
- 4 5 (3) Student mentoring.

4 6 (4) Orientation to college classes taught in high
4 7 school which include career planning.
4 8 (5) Back-to-college training for nontraditional
4 9 students.
4 10 (6) Utilization of software for assessing the
4 11 students' work interests, listing current job
4 12 openings, and projecting future job openings in the
4 13 state of Iowa to assist students in planning their
4 14 careers.

4 15 Sec. _____. Section 260G.3, subsection 2, paragraph
4 16 e, Code 2005, is amended to read as follows:

4 17 e. Moneys from a workforce training and economic
4 18 development fund created in section 260C.18A or
4 19 260C.18C, based on the number of program job positions
4 20 agreed to by the employer to be available under the
4 21 agreement, the amount of which shall be calculated in
4 22 the same manner as the program job credits provided
4 23 for in section 260G.4A.>

4 24 #2. Page 5, by inserting before line 11 the
4 25 following:

4 26 <Sec. _____. Section 421.1, Code 2005, is amended by
4 27 adding the following new subsection:

4 28 NEW SUBSECTION. 4A. Upon the appeal of a county
4 29 or city, review the decision of the director of
4 30 revenue regarding the withholding of a reimbursement
4 31 payment authorized in section 425.1 to the county or
4 32 city. The board may reverse or affirm the decision of
4 33 the director.

4 34 Sec. _____. NEW SECTION. 421.1A PROPERTY
4 35 ASSESSMENT APPEAL BOARD.

4 36 1. A statewide property assessment appeal board is
4 37 created for the purpose of establishing a consistent,
4 38 fair, and equitable property assessment appeal
4 39 process. The statewide property assessment appeal
4 40 board is established within the department of revenue
4 41 for administrative and budgetary purposes. The
4 42 board's principal office shall be in the office of the
4 43 department of revenue in the capital of the state.

4 44 2. a. The property assessment appeal board shall
4 45 consist of three members appointed to staggered six=
4 46 year terms, beginning and ending as provided in
4 47 section 69.19, by the governor and subject to
4 48 confirmation by the senate. Subject to confirmation
4 49 by the senate, the governor shall appoint from the
4 50 members a chairperson of the board to a two-year term.
5 1 Vacancies on the board shall be filled for the
5 2 unexpired portion of the term in the same manner as
5 3 regular appointments are made. The term of office for
5 4 the initial board shall begin January 1, 2007.

5 5 b. Each member of the property assessment appeal
5 6 board shall be qualified by virtue of at least two
5 7 years' experience in the area of government,
5 8 corporate, or private practice relating to property
5 9 appraisal and property tax administration. One member
5 10 of the board shall be a certified real estate
5 11 appraiser or hold a professional appraisal
5 12 designation, one member shall be an attorney
5 13 practicing in the area of state and local taxation or
5 14 property tax appraisals, and one member shall be a
5 15 professional with experience in the field of
5 16 accounting or finance and with experience in state and
5 17 local taxation matters. No more than two members of
5 18 the board may be from the same political party as that
5 19 term is defined in section 43.2.

5 20 c. The property assessment appeal board shall
5 21 organize by appointing an executive secretary who
5 22 shall take the same oath of office as the members of
5 23 the board. The board shall set the salary of the
5 24 executive secretary within the limits of the pay plan
5 25 for exempt positions provided for in section 8A.413,
5 26 subsection 2. The board may employ additional
5 27 personnel as it finds necessary.

5 28 3. At the election of a property owner or
5 29 aggrieved taxpayer or an appellant described in
5 30 section 441.42, the property assessment appeal board
5 31 shall review any final decision, finding, ruling,
5 32 determination, or order of a local board of review
5 33 relating to protests of an assessment, valuation, or
5 34 application of an equalization order.

5 35 4. The property assessment appeal board may do all
5 36 of the following:

5 37 a. Affirm, reverse, or modify a final decision,
5 38 finding, ruling, determination, or order of a local
5 39 board of review.

5 40 b. Order the payment or refund of property taxes
5 41 in a matter over which the board has jurisdiction.

5 42 c. Grant other relief or issue writs, orders, or
5 43 directives that the board deems necessary or
5 44 appropriate in the process of disposing of a matter
5 45 over which the board has jurisdiction.

5 46 d. Subpoena documents and witnesses and administer
5 47 oaths.

5 48 e. Adopt administrative rules pursuant to chapter
5 49 17A for the administration and implementation of its
5 50 powers, including rules for practice and procedure for
6 1 protests filed with the board, the manner in which
6 2 hearings on appeals of assessments shall be conducted,
6 3 filing fees to be imposed by the board, and for the
6 4 determination of the correct assessment of property
6 5 which is the subject of an appeal.

6 6 f. Adopt administrative rules pursuant to chapter
6 7 17A necessary for the preservation of order and the
6 8 regulation of proceedings before the board, including
6 9 forms or notice and the service thereof, which rules
6 10 shall conform as nearly as possible to those in use in
6 11 the courts of this state.

6 12 5. The property assessment appeal board shall
6 13 employ a competent attorney to serve as its general
6 14 counsel, and assistants to the general counsel as it
6 15 finds necessary for the full and efficient discharge
6 16 of its duties, notwithstanding section 13.7. The
6 17 general counsel is the attorney for, and legal advisor
6 18 of, the board. The general counsel or an assistant to
6 19 the general counsel shall provide the necessary legal
6 20 advice to the board in all matters and shall represent
6 21 the board in all actions instituted in a court
6 22 challenging the validity of a rule or order of the
6 23 board. The general counsel shall devote full time to
6 24 the duties of the office. During employment as
6 25 general counsel to the board, the counsel shall not be
6 26 a member of a political committee, contribute to a
6 27 political campaign, participate in a political
6 28 campaign, or be a candidate for partisan political
6 29 office.

6 30 6. The members of the property assessment appeal
6 31 board shall receive a salary commensurate with the
6 32 salary of a district judge. The members of the board,
6 33 any administrative law judges, and any employees of
6 34 the board, when required to travel in the discharge of
6 35 official duties, shall be paid their actual and
6 36 necessary expenses incurred in the performance of
6 37 duties.

6 38 Sec. _____. Section 428.4, unnumbered paragraph 1,
6 39 Code 2005, is amended to read as follows:

6 40 Property shall be assessed for taxation each year.
6 41 Real estate shall be listed and assessed in 1981 and
6 42 every two years thereafter. The assessment of real
6 43 estate shall be the value of the real estate as of
6 44 January 1 of the year of the assessment. The year
6 45 1981 and each odd-numbered year thereafter shall be a
6 46 reassessment year. In any year, after the year in
6 47 which an assessment has been made of all the real
6 48 estate in an assessing jurisdiction, the assessor
6 49 shall value and assess or revalue and reassess, as the
6 50 case may require, any real estate that the assessor
7 1 finds was incorrectly valued or assessed, or was not
7 2 listed, valued, and assessed, in the assessment year
7 3 immediately preceding, also any real estate the
7 4 assessor finds has changed in value subsequent to
7 5 January 1 of the preceding real estate assessment
7 6 year. However, a percentage increase on a class of
7 7 property shall not be made in a year not subject to an
7 8 equalization order unless ordered by the department of
7 9 revenue. The assessor shall determine the actual
7 10 value and compute the taxable value thereof as of
7 11 January 1 of the year of the revaluation and
7 12 reassessment. The assessment shall be completed as
7 13 specified in section 441.28, but no reduction or
7 14 increase in actual value shall be made for prior
7 15 years. If an assessor makes a change in the valuation
7 16 of the real estate as provided for, sections 441.23,
7 17 441.37, 441.37A, 441.38 and 441.39 apply.

7 18 Sec. _____. Section 441.19, subsection 4, Code 2005,
7 19 is amended to read as follows:

7 20 4. The supplemental returns ~~herein~~ provided for in
7 21 ~~this section~~ shall be preserved in the same manner as
7 22 assessment rolls, but shall be confidential to the
7 23 assessor, board of review, property assessment appeal
7 24 board, or director of revenue, and shall not be open
7 25 to public inspection, but any final assessment roll as
7 26 made out by the assessor shall be a public record,
7 27 provided that such supplemental return shall be
7 28 available to counsel of either the person making the
7 29 return or of the public, in case any appeal is taken
7 30 to the board of review, to the property assessment
7 31 appeal board, or to the court.

7 32 Sec. _____. Section 441.21, subsection 1, Code 2005,
7 33 is amended by adding the following new paragraphs:

7 34 NEW PARAGRAPH. h. The assessor shall determine
7 35 the value of real property in accordance with rules
7 36 adopted by the department of revenue and in accordance
7 37 with forms and guidelines contained in the real
7 38 property appraisal manual prepared by the department
7 39 as updated from time to time. Such rules, forms, and
7 40 guidelines shall not be inconsistent with or change
7 41 the means, as provided in this section, of determining
7 42 the actual, market, taxable, and assessed values. If
7 43 the director of revenue determines that an assessor
7 44 has willfully disregarded the rules of the department
7 45 relating to valuation of property or has willfully
7 46 disregarded the forms and guidelines contained in the
7 47 real property appraisal manual, the department shall
7 48 take steps to withhold the reimbursement payment
7 49 authorized in section 425.1 to the county or city, as
7 50 applicable, until the director of revenue determines
8 1 that the assessor is in compliance. A county or city
8 2 for which such funds have been withheld may appeal the
8 3 action of the department to the state board of tax
8 4 review. The department shall adopt rules relating to
8 5 application of this paragraph.

8 6 NEW PARAGRAPH. i. If the assessor wishes to use
8 7 any manuals, guidelines, or forms other than those
8 8 prescribed by the department of revenue, the assessor
8 9 shall first receive permission from the director of
8 10 revenue.

8 11 Sec. _____. Section 441.21, subsection 2, Code 2005,
8 12 is amended to read as follows:

8 13 2. In the event market value of the property being
8 14 assessed cannot be readily established in the
8 15 foregoing manner, then the assessor may determine the
8 16 value of the property using the other uniform and
8 17 recognized appraisal methods including its productive
8 18 and earning capacity, if any, industrial conditions,
8 19 its cost, physical and functional depreciation and
8 20 obsolescence and replacement cost, and all other
8 21 factors which would assist in determining the fair and
8 22 reasonable market value of the property but the actual
8 23 value shall not be determined by use of only one such
8 24 factor. The following shall not be taken into
8 25 consideration: Special value or use value of the
8 26 property to its present owner, and the good will or
8 27 value of a business which uses the property as
8 28 distinguished from the value of the property as
8 29 property. However, in assessing property that is
8 30 rented or leased to low-income individuals and
8 31 families as authorized by section 42 of the Internal
8 32 Revenue Code, as amended, and which section limits the
8 33 amount that the individual or family pays for the
8 34 rental or lease of units in the property, the assessor
8 35 shall use the productive and earning capacity from the
8 36 actual rents received as a method of appraisal and
8 37 shall take into account the extent to which that use
8 38 and limitation reduces the market value of the
8 39 property. The assessor shall not consider any tax
8 40 credit equity or other subsidized financing as income
8 41 provided to the property in determining the assessed
8 42 value. The property owner shall notify the assessor
8 43 when property is withdrawn from section 42 eligibility
8 44 under the Internal Revenue Code. The property shall
8 45 not be subject to section 42 assessment procedures for
8 46 the assessment year for which section 42 eligibility
8 47 is withdrawn. This notification must be provided to
8 48 the assessor no later than March 1 of the assessment

8 49 year or the owner will be subject to a penalty of five
8 50 hundred dollars for that assessment year. The penalty
9 1 shall be collected at the same time and in the same
9 2 manner as regular property taxes. Upon adoption of
9 3 uniform rules by the ~~revenue~~ department of revenue or
9 4 succeeding authority covering assessments and
9 5 valuations of such properties, ~~said the~~ valuation on
9 6 such properties shall be determined in accordance
9 7 ~~therewith with such rules and in accordance with forms~~
9 8 ~~and guidelines contained in the real property~~
9 9 ~~appraisal manual prepared by the department as updated~~
9 10 ~~from time to time~~ for assessment purposes to assure
9 11 uniformity, but such rules, forms, and guidelines
9 12 shall not be inconsistent with or change the foregoing
9 13 means of determining the actual, market, taxable and
9 14 assessed values.

9 15 Sec. _____. Section 441.21, subsections 4 and 5,
9 16 Code 2005, are amended to read as follows:

9 17 4. For valuations established as of January 1,
9 18 1979, the percentage of actual value at which
9 19 agricultural and residential property shall be
9 20 assessed shall be the quotient of the dividend and
9 21 divisor as defined in this section. The dividend for
9 22 each class of property shall be the dividend as
9 23 determined for each class of property for valuations
9 24 established as of January 1, 1978, adjusted by the
9 25 product obtained by multiplying the percentage
9 26 determined for that year by the amount of any
9 27 additions or deletions to actual value, excluding
9 28 those resulting from the revaluation of existing
9 29 properties, as reported by the assessors on the
9 30 abstracts of assessment for 1978, plus six percent of
9 31 the amount so determined. ~~However, if the difference~~
9 32 ~~between the dividend so determined for either class of~~
9 33 ~~property and the dividend for that class of property~~
9 34 ~~for valuations established as of January 1, 1978,~~
9 35 ~~adjusted by the product obtained by multiplying the~~
9 36 ~~percentage determined for that year by the amount of~~
9 37 ~~any additions or deletions to actual value, excluding~~
9 38 ~~those resulting from the revaluation of existing~~
9 39 ~~properties, as reported by the assessors on the~~
9 40 ~~abstracts of assessment for 1978, is less than six~~
9 41 ~~percent, the 1979 dividend for the other class of~~
9 42 ~~property shall be the dividend as determined for that~~
9 43 ~~class of property for valuations established as of~~
9 44 ~~January 1, 1978, adjusted by the product obtained by~~
9 45 ~~multiplying the percentage determined for that year by~~
9 46 ~~the amount of any additions or deletions to actual~~
9 47 ~~value, excluding those resulting from the revaluation~~
9 48 ~~of existing properties, as reported by the assessors~~
9 49 ~~on the abstracts of assessment for 1978, plus a~~
9 50 ~~percentage of the amount so determined which is equal~~
10 1 ~~to the percentage by which the dividend as determined~~
10 2 ~~for the other class of property for valuations~~
10 3 ~~established as of January 1, 1978, adjusted by the~~
10 4 ~~product obtained by multiplying the percentage~~
10 5 ~~determined for that year by the amount of any~~
10 6 ~~additions or deletions to actual value, excluding~~
10 7 ~~those resulting from the revaluation of existing~~
10 8 ~~properties, as reported by the assessors on the~~
10 9 ~~abstracts of assessment for 1978, is increased in~~
10 10 ~~arriving at the 1979 dividend for the other class of~~
10 11 ~~property.~~ The divisor for each class of property
10 12 shall be the total actual value of all such property
10 13 in the state in the preceding year, as reported by the
10 14 assessors on the abstracts of assessment submitted for
10 15 1978, plus the amount of value added to said total
10 16 actual value by the revaluation of existing properties
10 17 in 1979 as equalized by the director of revenue
10 18 pursuant to section 441.49. The director shall
10 19 utilize information reported on abstracts of
10 20 assessment submitted pursuant to section 441.45 in
10 21 determining such percentage. For valuations
10 22 established as of January 1, 1980, and each year
10 23 thereafter, the percentage of actual value as
10 24 equalized by the director of revenue as provided in
10 25 section 441.49 at which agricultural and residential
10 26 property shall be assessed shall be calculated in
10 27 accordance with the methods provided ~~herein including~~
10 28 ~~the limitation of increases in agricultural and~~
10 29 ~~residential assessed values to the percentage increase~~

~~10 30 of the other class of property if the other class
10 31 increases less than the allowable limit adjusted to
10 32 include the applicable and current values as equalized
10 33 by the director of revenue in this subsection, except
10 34 that any references to six percent in this subsection
10 35 shall be four percent. For valuations established as
10 36 of January 1, 2005, and each year thereafter, the
10 37 percentage of actual value as equalized by the
10 38 director of revenue as provided in section 441.49 at
10 39 which agricultural and residential property shall be
10 40 assessed shall be calculated in accordance with the
10 41 methods provided in this subsection and subsection 5A,
10 42 except that any references to six percent in this
10 43 subsection shall be four percent.~~

11 44 5. For valuations established as of January 1,
11 45 1979, commercial property and industrial property,
11 46 excluding properties referred to in section 427A.1,
11 47 subsection 7, shall be assessed as a percentage of the
11 48 actual value of each class of property. The
11 49 percentage shall be determined for each class of
11 50 property by the director of revenue for the state in
11 1 accordance with the provisions of this section. For
11 2 valuations established as of January 1, 1979, the
11 3 percentage shall be the quotient of the dividend and
11 4 divisor as defined in this section. The dividend for
11 5 each class of property shall be the total actual
11 6 valuation for each class of property established for
11 7 1978, plus six percent of the amount so determined.
11 8 The divisor for each class of property shall be the
11 9 valuation for each class of property established for
11 10 1978, as reported by the assessors on the abstracts of
11 11 assessment for 1978, plus the amount of value added to
11 12 the total actual value by the revaluation of existing
11 13 properties in 1979 as equalized by the director of
11 14 revenue pursuant to section 441.49. For valuations
11 15 established as of January 1, 1979, property valued by
11 16 the department of revenue pursuant to chapters 428,
11 17 433, 437, and 438 shall be considered as one class of
11 18 property and shall be assessed as a percentage of its
11 19 actual value. The percentage shall be determined by
11 20 the director of revenue in accordance with the
11 21 provisions of this section. For valuations
11 22 established as of January 1, 1979, the percentage
11 23 shall be the quotient of the dividend and divisor as
11 24 defined in this section. The dividend shall be the
11 25 total actual valuation established for 1978 by the
11 26 department of revenue, plus ten percent of the amount
11 27 so determined. The divisor for property valued by the
11 28 department of revenue pursuant to chapters 428, 433,
11 29 437, and 438 shall be the valuation established for
11 30 1978, plus the amount of value added to the total
11 31 actual value by the revaluation of the property by the
11 32 department of revenue as of January 1, 1979. For
11 33 valuations established as of January 1, 1980,
11 34 commercial property and industrial property, excluding
11 35 properties referred to in section 427A.1, subsection
11 36 7, shall be assessed at a percentage of the actual
11 37 value of each class of property. The percentage shall
11 38 be determined for each class of property by the
11 39 director of revenue for the state in accordance with
11 40 the provisions of this section. For valuations
11 41 established as of January 1, 1980, the percentage
11 42 shall be the quotient of the dividend and divisor as
11 43 defined in this section. The dividend for each class
11 44 of property shall be the dividend as determined for
11 45 each class of property for valuations established as
11 46 of January 1, 1979, adjusted by the product obtained
11 47 by multiplying the percentage determined for that year
11 48 by the amount of any additions or deletions to actual
11 49 value, excluding those resulting from the revaluation
11 50 of existing properties, as reported by the assessors
12 1 on the abstracts of assessment for 1979, plus four
12 2 percent of the amount so determined. The divisor for
12 3 each class of property shall be the total actual value
12 4 of all such property in 1979, as equalized by the
12 5 director of revenue pursuant to section 441.49, plus
12 6 the amount of value added to the total actual value by
12 7 the revaluation of existing properties in 1980. The
12 8 director shall utilize information reported on the
12 9 abstracts of assessment submitted pursuant to section
12 10 441.45 in determining such percentage. For valuations

12 11 established as of January 1, 1980, property valued by
12 12 the department of revenue pursuant to chapters 428,
12 13 433, 437, and 438 shall be assessed at a percentage of
12 14 its actual value. The percentage shall be determined
12 15 by the director of revenue in accordance with the
12 16 provisions of this section. For valuations
12 17 established as of January 1, 1980, the percentage
12 18 shall be the quotient of the dividend and divisor as
12 19 defined in this section. The dividend shall be the
12 20 total actual valuation established for 1979 by the
12 21 department of revenue, plus eight percent of the
12 22 amount so determined. The divisor for property valued
12 23 by the department of revenue pursuant to chapters 428,
12 24 433, 437, and 438 shall be the valuation established
12 25 for 1979, plus the amount of value added to the total
12 26 actual value by the revaluation of the property by the
12 27 department of revenue as of January 1, 1980. For
12 28 valuations established as of January 1, 1981, and each
12 29 year thereafter, the percentage of actual value as
12 30 equalized by the director of revenue as provided in
12 31 section 441.49 at which commercial property and
12 32 industrial property, excluding properties referred to
12 33 in section 427A.1, subsection 7, shall be assessed
12 34 shall be calculated in accordance with the methods
12 35 provided ~~herein in this subsection~~, except that any
12 36 references to six percent in this subsection shall be
12 37 four percent. For valuations established as of
12 38 January 1, 1981, and each year thereafter, the
12 39 percentage of actual value at which property valued by
12 40 the department of revenue pursuant to chapters 428,
12 41 433, 437, and 438 shall be assessed shall be
12 42 calculated in accordance with the methods provided
12 43 herein, except that any references to ten percent in
12 44 this subsection shall be eight percent. Beginning
12 45 with valuations established as of January 1, 1979, and
12 46 each year thereafter, property valued by the
12 47 department of revenue pursuant to chapter 434 shall
12 48 also be assessed at a percentage of its actual value
12 49 which percentage shall be equal to the percentage
12 50 determined by the director of revenue for commercial
13 1 property, industrial property, or property valued by
13 2 the department of revenue pursuant to chapters 428,
13 3 433, 437, and 438, whichever is lowest. For
13 4 valuations established as of January 1, 2005, and each
13 5 year thereafter, the percentage of actual value as
13 6 equalized by the director of revenue as provided in
13 7 section 441.49 at which commercial and industrial
13 8 property shall be assessed shall be calculated in
13 9 accordance with the methods provided in this
13 10 subsection and subsection 5A, except that any
13 11 references to six percent in this subsection shall be
13 12 four percent.

13 13 Sec. _____. Section 441.21, Code 2005, is amended by
13 14 adding the following new subsection:

13 15 NEW SUBSECTION. 5A. Notwithstanding the
13 16 limitation of increases in subsection 4 and the
13 17 limitation of increases for commercial and industrial
13 18 property in subsection 5, for valuations established
13 19 as of January 1, 2005, and each year thereafter, for
13 20 residential, agricultural, commercial, and industrial
13 21 property, the assessed values of these four classes of
13 22 property shall be limited to the percentage increase
13 23 of that class of property that is the lowest
13 24 percentage increase under the allowable limit adjusted
13 25 to include the applicable and current values as
13 26 equalized by the director of revenue.

13 27 Sec. _____. Section 441.28, Code 2005, is amended to
13 28 read as follows:

13 29 441.28 ASSESSMENT ROLLS == CHANGE == NOTICE TO
13 30 TAXPAYER.

13 31 The assessment shall be completed not later than
13 32 April 15 each year. If the assessor makes any change
13 33 in an assessment after it has been entered on the
13 34 assessor's rolls, the assessor shall note on ~~said the~~
13 35 roll, together with the original assessment, the new
13 36 assessment and the reason for the change, together
13 37 with the assessor's signature and the date of the
13 38 change. Provided, however, in the event the assessor
13 39 increases any assessment the assessor shall give
13 40 notice of the increase in writing ~~thereof~~ to the
13 41 taxpayer by mail ~~prior to the meeting of the board of~~

~~13 42 review postmarked no later than April 15. No changes
13 43 shall be made on the assessment rolls after April 15
13 44 except by order of the board of review or of the
13 45 property assessment appeal board, or by decree of~~

13 46 court.

13 47 Sec. ____ Section 441.35, unnumbered paragraph 2,
13 48 Code 2005, is amended to read as follows:

13 49 In any year after the year in which an assessment
13 50 has been made of all of the real estate in any taxing
14 1 district, ~~it shall be the duty of~~ the board of review
14 2 ~~to shall~~ meet as provided in section 441.33, and where
14 3 ~~it the board~~ finds the same has changed in value, ~~to~~
14 4 ~~the board shall~~ revalue and reassess any part or all
14 5 of the real estate contained in such taxing district,
14 6 and in such case, ~~it the board~~ shall determine the
14 7 actual value as of January 1 of the year of the
14 8 revaluation and reassessment and compute the taxable
14 9 value thereof, ~~and any.~~ Any aggrieved taxpayer may
14 10 petition for a revaluation of the taxpayer's property,
14 11 but no reduction or increase shall be made for prior
14 12 years. If the assessment of any such property is
14 13 raised, or any property is added to the tax list by
14 14 the board, the clerk shall give notice in the manner
14 15 provided in section 441.36, ~~provided, however, that,~~
14 16 ~~However,~~ if the assessment of all property in any
14 17 taxing district is raised, the board may instruct the
14 18 clerk to give immediate notice by one publication in
14 19 one of the official newspapers located in the taxing
14 20 district, and such published notice shall take the
14 21 place of the mailed notice provided for in section
14 22 441.36, but all other provisions of ~~said that~~ section
14 23 shall apply. The decision of the board as to the
14 24 foregoing matters shall be subject to appeal to the
14 25 property assessment appeal board within the same time
14 26 and in the same manner as provided in section 441.37A
14 27 and to the district court within the same time and in
14 28 the same manner as provided in section 441.38.

14 29 Sec. ____ NEW SECTION. 441.37A APPEAL OF PROTEST
14 30 TO PROPERTY ASSESSMENT APPEAL BOARD.

14 31 1. For the assessment year beginning January 1,
14 32 2007, and all subsequent assessment years, appeals may
14 33 be taken from the action of the board of review with
14 34 reference to protests of assessment, valuation, or
14 35 application of an equalization order to the property
14 36 assessment appeal board created in section 421.1A.
14 37 However, a property owner or aggrieved taxpayer or an
14 38 appellant described in section 441.42 may bypass the
14 39 property assessment appeal board and appeal the
14 40 decision of the local board of review to the district
14 41 court pursuant to section 441.38. For an appeal to
14 42 the property assessment appeal board to be valid,
14 43 written notice must be filed by the party appealing
14 44 the decision with the executive secretary of the
14 45 property assessment appeal board within twenty days
14 46 after the date the board of review's letter of
14 47 disposition of the appeal is postmarked to the party
14 48 making the protest. The written notice of appeal
14 49 shall include a petition setting forth the basis of
14 50 the appeal and the relief sought. No new grounds in
15 1 addition to those set out in the protest to the local
15 2 board of review as provided in section 441.37 can be
15 3 pleaded, but additional evidence to sustain those
15 4 grounds may be introduced. The assessor shall have
15 5 the same right to appeal to the assessment appeal
15 6 board as an individual taxpayer, public body, or other
15 7 public officer as provided in section 441.42.

15 8 Filing of the written notice of appeal and petition
15 9 with the executive secretary of the property
15 10 assessment appeal board shall preserve all rights of
15 11 appeal of the appellant, except as otherwise provided
15 12 in subsection 2. A copy of the appellant's written
15 13 notice of appeal and petition shall be mailed by the
15 14 executive secretary of the property assessment appeal
15 15 board to the local board of review whose decision is
15 16 being appealed. In all cases where a change in
15 17 assessed valuation of one hundred thousand dollars or
15 18 more is petitioned for, the local board of review
15 19 shall mail a copy of the written notice of appeal and
15 20 petition to all affected taxing districts as shown on
15 21 the last available tax list.

15 22 2. A party to the appeal may request a hearing or

15 23 the appeal may proceed without a hearing. If a
15 24 hearing is requested, the appellant and the local
15 25 board of review from which the appeal is taken shall
15 26 be given at least thirty days' written notice by the
15 27 property assessment appeal board of the date the
15 28 appeal shall be heard and the local board of review
15 29 may be present and participate at such hearing.
15 30 Notice to all affected taxing districts shall be
15 31 deemed to have been given when written notice is
15 32 provided to the local board of review. Failure by the
15 33 appellant to appear at the property assessment appeal
15 34 board hearing shall be grounds for dismissal of the
15 35 appeal unless a continuance is granted to the
15 36 appellant. If an appeal is dismissed for failure to
15 37 appear, the property assessment appeal board shall
15 38 have no jurisdiction to consider any subsequent appeal
15 39 on the appellant's protest.

15 40 An appeal may be considered by less than a majority
15 41 of the members of the board, and the chairperson of
15 42 the board may assign members to consider appeals.
15 43 Appeals to the property assessment appeal board may
15 44 also be considered by an administrative law judge
15 45 assigned by the division of administrative hearings of
15 46 the department of inspections and appeals in
15 47 accordance with section 10A.801. If a hearing is
15 48 requested, it shall be open to the public and shall be
15 49 conducted in accordance with the rules of practice and
15 50 procedure adopted by the board. However, any
16 1 deliberation of the officer considering the appeal in
16 2 reaching a decision on any appeal shall be
16 3 confidential. The property assessment appeal board,
16 4 or any member of the board, or an administrative law
16 5 judge may require the production of any books,
16 6 records, papers, or documents as evidence in any
16 7 matter pending before the board that may be material,
16 8 relevant, or necessary for the making of a just
16 9 decision. Any books, records, papers, or documents
16 10 produced as evidence shall become part of the record
16 11 of the appeal. Any testimony given relating to the
16 12 appeal shall be transcribed and made a part of the
16 13 record of the appeal.

16 14 3. a. The officer considering the appeal shall
16 15 determine anew all questions arising before the local
16 16 board of review which relate to the liability of the
16 17 property to assessment or the amount thereof. All of
16 18 the evidence shall be considered and there shall be no
16 19 presumption as to the correctness of the valuation of
16 20 assessment appealed from. The property assessment
16 21 appeal board shall make a decision in each appeal
16 22 filed with the board. If the appeal is considered by
16 23 less than a majority of the board or by an
16 24 administrative law judge, the determination made by
16 25 that person shall be forwarded to the full board for
16 26 approval, rejection, or modification. If the initial
16 27 determination is rejected by the board, it shall be
16 28 returned for reconsideration to the board member or
16 29 administrative law judge making the initial
16 30 determination. Any deliberation of the board
16 31 regarding an initial determination shall be
16 32 confidential.

16 33 b. The decision of the board shall be considered
16 34 the final agency action for purposes of further
16 35 appeal, except as otherwise provided in section
16 36 441.49. The decision shall be final unless appealed
16 37 to district court as provided in section 441.38. The
16 38 levy of taxes on any assessment appealed to the board
16 39 shall not be delayed by any proceeding before the
16 40 board, and if the assessment appealed from is reduced
16 41 by the decision of the board, any taxes levied upon
16 42 that portion of the assessment reduced shall be abated
16 43 or, if already paid, shall be refunded. If the
16 44 subject of an appeal is the application of an
16 45 equalization order, the property assessment appeal
16 46 board shall not order a reduction in assessment
16 47 greater than the amount that the assessment was
16 48 increased due to application of the equalization
16 49 order. Each party to the appeal shall be responsible
16 50 for the costs of the appeal incurred by that party.

17 1 Sec. ____ Section 441.38, Code 2005, is amended to
17 2 read as follows:

17 3 441.38 APPEAL TO DISTRICT COURT.

17 4 1. Appeals may be taken from the action of the
17 5 local board of review with reference to protests of
17 6 assessment, to the district court of the county in
17 7 which the board holds its sessions within twenty days
17 8 after its adjournment or May 31, whichever date is
17 9 later. Appeals may be taken from the action of the
17 10 property assessment appeal board to the district court
17 11 of the county where the property which is the subject
17 12 of the appeal is located within twenty days after the
17 13 letter of disposition of the appeal by the property
17 14 assessment appeal board is postmarked to the
17 15 appellant. No new grounds in addition to those set
17 16 out in the protest to the local board of review as
17 17 provided in section 441.37, or in addition to those
17 18 set out in the appeal to the property assessment
17 19 appeal board, if applicable, can be pleaded, but
17 20 additional evidence to sustain those grounds may be
17 21 introduced. The assessor shall have the same right to
17 22 appeal and in the same manner as an individual
17 23 taxpayer, public body or other public officer as
17 24 provided in section 441.42. Appeals shall be taken by
17 25 filing a written notice of appeal with the clerk of
17 26 district court. Filing of the written notice of
17 27 appeal shall preserve all rights of appeal of the
17 28 appellant.

17 29 2. Notice of appeal shall be served as an original
17 30 notice on the chairperson, presiding officer, or clerk
17 31 of the board of review, and on the executive secretary
17 32 of the property assessment appeal board, if
17 33 applicable, after the filing of notice under
17 34 subsection 1 with the clerk of district court.

17 35 Sec. _____. Section 441.39, Code 2005, is amended to
17 36 read as follows:

17 37 441.39 TRIAL ON APPEAL.

17 38 The If the appeal is from a decision of the local
17 39 board of review, the court shall hear the appeal in
17 40 equity and determine anew all questions arising before
17 41 the board which relate to the liability of the
17 42 property to assessment or the amount thereof. The
17 43 court shall consider all of the evidence and there
17 44 shall be no presumption as to the correctness of the
17 45 valuation of assessment appealed from. If the appeal
17 46 is from a decision of the property assessment appeal
17 47 board, the court's review shall be limited to the
17 48 correction of errors at law. Its decision shall be
17 49 certified by the clerk of the court to the county
17 50 auditor, and the assessor, who shall correct the
18 1 assessment books accordingly.

18 2 Sec. _____. Section 441.43, Code 2005, is amended to
18 3 read as follows:

18 4 441.43 POWER OF COURT.

18 5 Upon trial of any appeal from the action of the
18 6 board of review or of the property assessment appeal
18 7 board fixing the amount of assessment upon any
18 8 property concerning which complaint is made, the court
18 9 may increase, decrease, or affirm the amount of the
18 10 assessment appealed from.

18 11 Sec. _____. Section 441.49, unnumbered paragraph 5,
18 12 Code 2005, is amended to read as follows:

18 13 The local board of review shall reconvene in
18 14 special session from October 15 to November 15 for the
18 15 purpose of hearing the protests of affected property
18 16 owners or taxpayers within the jurisdiction of the
18 17 board whose valuation of property if adjusted pursuant
18 18 to the equalization order issued by the director of
18 19 revenue will result in a greater value than permitted
18 20 under section 441.21. The board of review shall
18 21 accept protests only during the first ten days
18 22 following the date the local board of review
18 23 reconvenes. The board of review shall limit its
18 24 review to only the timely filed protests. The board
18 25 of review may adjust all or a part of the percentage
18 26 increase ordered by the director of revenue by
18 27 adjusting the actual value of the property under
18 28 protest to one hundred percent of actual value. Any
18 29 adjustment so determined by the board of review shall
18 30 not exceed the percentage increase provided for in the
18 31 director's equalization order. The determination of
18 32 the board of review on filed protests is final,
18 33 subject to appeal to the property assessment appeal
18 34 board. A final decision by the local board of review,

18 35 or the property assessment appeal board, if the local
18 36 board's decision is appealed, is subject to review by
18 37 the director of revenue for the purpose of determining
18 38 whether the board's actions substantially altered the
18 39 equalization order. In making the review, the
18 40 director has all the powers provided in chapter 421,
18 41 and in exercising the powers the director is not
18 42 subject to chapter 17A. Not later than fifteen days
18 43 following the adjournment of the board, the board of
18 44 review shall submit to the director of revenue, on
18 45 forms prescribed by the director, a report of all
18 46 actions taken by the board of review during this
18 47 session.

18 48 Sec. _____. Section 445.60, Code 2005, is amended to
18 49 read as follows:

18 50 445.60 REFUNDING ERRONEOUS TAX.

19 1 The board of supervisors shall direct the county
19 2 treasurer to refund to the taxpayer any tax or portion
19 3 of a tax found to have been erroneously or illegally
19 4 paid, with all interest, fees, and costs actually
19 5 paid. A refund shall not be ordered or made unless a
19 6 claim for refund is presented to the board within two
19 7 years of the date the tax was due, or if appealed to
19 8 the board of review, the property assessment appeal
19 9 board, the state board of tax review, or district
19 10 court, within two years of the final decision.>

19 11 #3. Page 5, by striking lines 11 through 13 and
19 12 inserting the following:

19 13 <Sec. _____. EFFECTIVE AND APPLICABILITY DATES.

19 14 1. The sections of this Act amending sections
19 15 257.1, subsection 2, section 260C.17, section 260G.3,
19 16 subsection 2, and enacting section 260C.18C, take
19 17 effect July 1, 2005, and are applicable to the school
19 18 budget year beginning July 1, 2006, and succeeding
19 19 budget years.

19 20 2. The sections of this Act amending section
19 21 441.21, subsections 4 and 5, and enacting section
19 22 441.21, subsection 5A, apply retroactively to January
19 23 1, 2005, for assessment years beginning on or after
19 24 that date.>

19 25 #4. Title page, by striking lines 1 through 4 and
19 26 inserting the following: <An Act relating to property
19 27 taxation and related aspects of education funding by
19 28 increasing the regular program foundation base,
19 29 modifying the community college operations levy,
19 30 creating a local workforce and economic development
19 31 fund for community colleges, modifying property
19 32 assessment guidelines and notification requirements,
19 33 creating a property assessment appeal board to hear
19 34 appeals of the actions of local boards of review,
19 35 tying together the assessment limitations of certain
19 36 classes of property, and providing effective and
19 37 retroactive applicability dates.>

19 38 #5. By renumbering as necessary.

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19 43 HF 848.1

19 44 rn/es/25